



## Senator Jim Merritt

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News from the Indiana State Senate

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News from the Indiana State Senate

## Study Committee Discusses Solutions to BMV Problems

Every year, members of the legislature are asked to serve on committees and commissions throughout the interim. This year, I was asked to serve as a member on the Interim Study Committee on Transportation Issues. The committee was charged with a number of things, including investigating the on goings of the Bureau of Motor Vehicles. The BMV has faced serious problems of a fraudulent nature this past year, and it is one of the duties of the committee to examine how the BMV has adapted and changed to fix these concerns.

On August 5, the government liaison to the BMV addressed the Transportation Committee and listed of a great deal of recent changes at the BMV. In addition to the presence of a Marion County Sheriff in each of the county branches, the BMV has added extensive background checks for their employees and has changed operating hours from Monday through Friday to Tuesday through Saturday.

These changes are definitely a positive step in the right direction to a better BMV, but I do not believe they are enough. The BMV is the 'front porch' of Indiana state government-any-one over the age of 16 and wants to drive must pass through the BMV at some point and time. The BMV is an important function of state government and it must work to the utmost standards of operation.

In January, the governor appointed a former U.S. Marshall to investigate the BMV and write a report about his findings. While this report proved helpful and did spark many of the changes we are now seeing at our local branches, I do not feel it was enough. It is my opinion that we need an independent and comprehensive evaluation of the total agency as we approach the future.

I will continue to keep you updated on this very important issue. Please visit [www.in.gov/legislative/interim](http://www.in.gov/legislative/interim) for more information about this interim study committee.

## State Government Offers Students First-Hand Experience

Over 200 years ago, our founding fathers collaborated to create a representative democracy. An intricate system of checks and balances emerged, giving citizens a means to govern free from tyranny. Every year, students study this historical phenomenon in the classroom; however, no book can tell the whole story.

The General Assembly recognizes the importance of exposing young people to the democratic process. As a result, legislators offer students important opportunities at the State House.

Any student from 6th grade to 12th grade can sign up to serve as a page for a day. Pages spend a day in the Senate assisting their local legislators. Responsibilities include responding to senators' requests, delivering messages and running errands. The day includes a tour of the State House and observation of a session, if one is in progress.

Those interested in serving as a page should send their name, age, address, phone number and school affiliation to my attention at 200 West Washington Street, Indianapolis, IN 46204. The Page Office will begin accepting requests in November. The 2005 session begins in early January and extends until late April.

Another great way to get involved is to serve as a Senate Intern for the 2005 session. Any college sophomore, junior, senior, graduate student or recent graduate who is in good standing, is eligible to apply. Apply online at [www.in.gov/legislative/senate\\_republican\\_internship](http://www.in.gov/legislative/senate_republican_internship) by October 15.

Interns have the opportunity to participate in all aspects of the legislative process, from analyzing bill content to conducting research on pending legislation to attending to constituent casework.

I serve the citizens of Senate District 31, which includes portions of Center, Lawrence and Warren Townships in Marion County

Stay connected to the Indiana General Assembly by visiting [www.in.gov/legislative](http://www.in.gov/legislative)

or by calling (317)232-9400

You can also visit my legislative web site at: [www.in.gov/S31](http://www.in.gov/S31)

Send letters to:  
**Sen. Jim Merritt**  
**Indiana Senate**  
**200 W. Washington St.**  
**Indianapolis, IN 46204**

# Get Involved!

How you can participate in the Indiana General Assembly

Voting is one very important way to make sure your views and concerns are being represented in government, but there are many other ways citizens can get involved to make our state a better place to live.

**Write letters:** During a typical day, a public official receives dozens of e-mails and letters with messages conveying his or her constituents' interest in a particular bill or issues. The key to getting your public officials' attention is to keep it simple, keep it short and make sure it's directed to the right person.

**Attend interim study committees:** During the interim, state legislators and local leaders meet publicly in study committees and commissions to discuss a variety of topics and decide if legislation is needed during the upcoming session. This is a great opportunity to hear discussion and voice your opinion. You can find the calendar of meetings online at: [www.in.gov/legislative/interim/calendar](http://www.in.gov/legislative/interim/calendar). The calendar is updated regularly.

**Attend standing committees:** The legislative session allows the opportunity for citizens to come down to the State House and listen to proposed legislation and provide

public testimony. Sometimes, it is a good idea to request an opportunity to speak by contacting the committee chairman before the meeting. Find information online at: [www.in.gov/legislative/session/calendars](http://www.in.gov/legislative/session/calendars).

**Visit web sites:** The General Assembly and all state agencies have web sites that are available with information on a variety of topics and who to contact if you want more information. The General Assembly site has an area dedicated to committee meetings, legislative surveys and links to email your senator. Go to [www.in.gov/legislative](http://www.in.gov/legislative) or visit [www.in.gov/senate\\_republicans](http://www.in.gov/senate_republicans).

**Organize or attend local events:** Many local communities have a variety of organizations dedicated to furthering a cause or improving the lives of its citizens. A great way to stay involved and give back is to attend functions sponsored by these groups. If you feel that an area needs representation, form an organization and work together to further your cause.

If you do not have Internet access at home, you may visit the computer station at your public library or contact my office for information.



## Protect Yourself From Identity Theft

Identity theft is quickly becoming the most prevalent and costly crime in the nation. Researchers estimate that criminals steal more than 600,000 victims' identities each year, costing consumers and the financial industry billions of dollars.

In 2003, the General Assembly passed legislation strengthening Indiana's identity theft law by protecting not only a person's Social Security number, but also his or her address, phone number, place of employment, employer's identification number and his or her mother's maiden name. The law also includes provisions to help victims untangle the damage incurred on their credit history by an identity thief.

If you would like more information, please contact the Consumer Protection Division in the Indiana Attorney General's office, toll-free, at 1-800-382-5516 or visit [www.in.gov/attorneygeneral](http://www.in.gov/attorneygeneral).

### Reduce the chances of identity theft in your everyday life:

- Monitor the balances of your financial accounts and look for unexplained charges or withdrawals
- Track your mail. Failing to receive bills or other mail may signal an address change by an identity thief, as does receiving credit cards for which you did not apply
- Order a copy of your credit reports. Federal law soon will allow consumers to get one free credit report per year
- Guard your Social Security number. Give it out only when absolutely necessary
- Invest in a cross-cutting paper shredder. Destroy credit card applications, checks, receipts, insurance documents and anything with your identifying information.



## F.A.Q.

### Frequently Asked Questions About Indiana's Legislature

**Q:** Why is the Indiana General Assembly called a "citizen legislature?"

**A:** Indiana lawmakers spend only a few months each year at the Capitol. The rest of the year, each legislator lives and works in the district he or she represents. Our part-time legislature offers substantial savings to Indiana taxpayers. The National Conference of State Legislatures ranks Indiana 45 among the 50 states with regard to the expenditures of the legislature per capita. Less than one half of one percent of the state's General Fund budget is spent on the legislature.

**Q:** Where is the money generated from gaming profits, such as the Hoosier Lottery, river boats, pari-mutuel, etc., going?

**A:** Of the \$670 million of the state's share of gaming profits in 2003, \$294 million was dedicated to the Property Tax Replacement Fund to help subsidize homeowners' local property tax bills through payment of home-  
stead credits. The second-largest share, \$236 million, cuts the "license plate tax," the excise tax Indiana motorists pay annually when renewing their vehicle license plates. Annual savings can be as much as 50 percent.

**Q:** How does the General Assembly function when it is not in session?

**A:** The Legislative Council is composed of 16 legislators, including the speaker of the House, president pro tempore, and floor leaders of the majority and minority parties. The Council is designed to provide an interim coordination structure for the General Assembly. Created in 1967 by combining and expanding existing legislative service agencies, the Council assists the General Assembly through its selection of interim study committees, research, fiscal analysis, and bill drafting staff. The study committees meet throughout the year during the time the state legislature is not in session.

**Q:** How does a senator author a bill?

**A:** A senator takes an idea for a bill to the non-partisan Legislative Services Agency. The staff provides necessary legal, fiscal, and research capabilities for the General Assembly. Drafting legislation, compiling and publishing the rules and regulations of state agencies, assisting committees during the interim and session, and furnishing figures on the estimated cost of existing or proposed state services are among the tasks performed by LSA staff.



## State Faces Tough Budget Decisions in 2005

### Indiana Personal Income Lags the Nation

On July 12, the state closed the books for Fiscal Year 2004. According to official figures released by the State Budget Agency, the state is expected to have a "surplus" or "reserve" of just \$300 million on June 30, 2005 – the close of the current budget cycle. As shown on **Figure 1**, this means the state's reserve will have declined by nearly \$2 billion since 1998.

The problem is that state spending has been exceeding state revenues for the past several years. State revenue collections actually decreased in both Fiscal Years 2001 and 2002 before showing a 0.5 percent increase in 2003. Revenue collections increased by

about 2.7 percent for Fiscal Year 2004, the year that just ended.

In order to avoid big spending cuts in education and health care, the state has been using the surplus and employing spending delays and other temporary solutions. These measures make it possible for the state to spend nearly \$800 million more than it will collect this year. While there is nothing inherently wrong with these accounting measures – they have helped the state avoid big spending cuts in our schools – these measures are only one-time temporary fixes and cannot be sustained. So, while it may seem like Indiana's economy is improving,

the state's financial condition actually remains very weak.

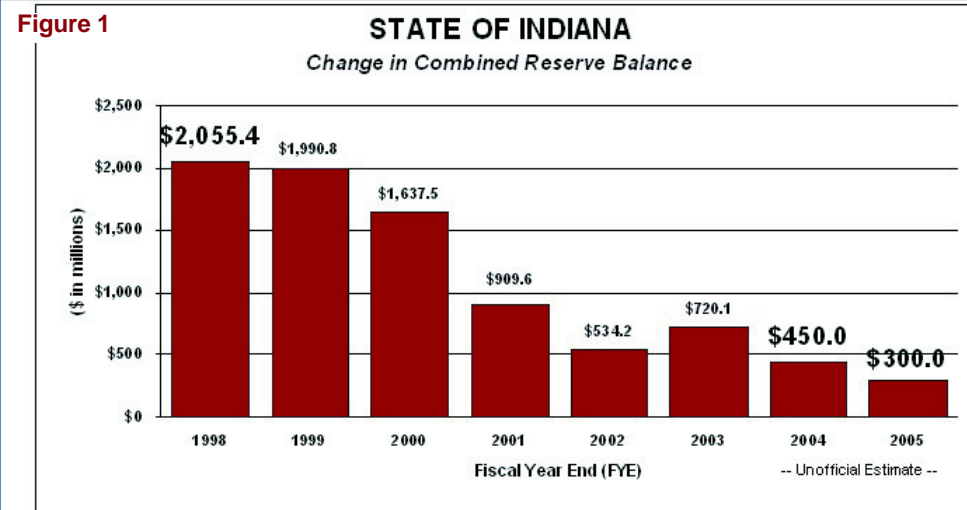
A \$300 million reserve sounds like a lot of money. But with an annual \$11.2 billion General Fund Budget, including big items such as \$4.3 billion for K-12 education, \$2.1 billion for local property tax relief, \$1.4 billion for universities and \$1.2 billion for Medicaid, \$300 million really is not a sufficient reserve. In fact, the State Budget spends more than \$30 million per day every day of the year. A \$300 million reserve barely funds 10 days of expenses.

The root of Indiana's budget problems is slow revenue growth. Part of the problem is job loss due to the recession. But the real problem is that Indiana lags the nation in personal income growth. As reflected in **Figure 2**, the problem has steadily grown since 1996. Today, the average Hoosier worker earns only about 91 cents for every \$1.00 earned by the average worker nationwide. Just as Hoosier workers earn less, state tax revenues lag as well. If Indiana workers earned the same as the national average, the subsequent gain in tax revenues would erase the state's structural deficit. Indiana needs to improve its economy relative to the nation or Indiana's budget – and the ability to adequately fund priorities like education and health care – will remain a problem.

Beginning in January, the General Assembly will start work on the state budget for the next biennium. Much of the discussion will center on adequate funding for education and health care. But, it is equally important to continue to try to find ways to diversify the economy and stimulate business investment as the real long term solution to the state's budget dilemma.



**Figure 1**



**Figure 2**

